

400 - FLOOD CONTROL DISTRICT

Operational Summary

Description:

The Flood Fund 400 provides Countywide flood protection for the operation and maintenance of the Orange County Flood Control District's 350 miles of flood control channels, dams, retarding basins, six pump stations, and other flood control infrastructure. RDMD designs and constructs approximately \$10 million of new flood control improvements each year. In addition, flood control improvements required of new development are inspected and accepted

into the flood control system for maintenance. Rainfall and stormwater flows throughout the County are monitored twenty-four hours a day for potential storm damage resulting from OCFCDD and County operated facilities. This enables a quick response in the event of danger to public and private property and infrastructure.

At a Glance:

Total FY 2005-2006 Actual Expenditure + Encumbrance:	68,931,258
Total Final FY 2006-2007	100,011,070
Percent of County General Fund:	N/A
Total Employees:	257.00

Strategic Goals:

- Provide regional flood protection for Orange County and reduce the extent of floodplains within Orange County.
- Incorporate water quality and habitat enhancements into flood control infrastructure. Perform flood control maintenance and construct new flood control improvements within a changing and imposing regulatory environment.
- Participate in watershed studies to identify other flood control protection requirements throughout the County. Provide leadership with the City Engineer Flood Control Advisory Committee to develop priorities for flood control capital projects.
- Continue to develop state-of-the-art staff expertise in flood control technical issues. Participate in the development of a Special Area Management Plan in San Diego Creek and San Juan Creek watersheds.
- Perform training for emergency operations during floods and other disasters. Review subdivision development plans to maintain safety and minimize long-term maintenance costs.
- Obtain funds for capital projects from other sources such as the Hazard Mitigation Grant Program administered by the Federal Emergency Management Agency. Funding the Water Quality Program continues to drain critical flood control funds. OCFCDD has spent over \$16 million over the last 3 fiscal years for watershed and water quality purposes. OCFCDD will continue to assist Watershed and Coastal Resources in developing alternate funding sources for water quality expenditures.
- Continue to work with the US Army Corps of Engineers on the East Garden Grove-Wintersburg Channel, Westminster Channel, and San Juan Creek Watersheds to determine Federal interest in funding up to 65 percent of construction costs. Absent this assistance, it would take over 25 years to provide necessary protection to those watersheds. OCFCDD funding is limited in part because the Flood Fund must also divert approximately \$8 million of property tax revenue, as a result of the County's bankruptcy settlement, which will sunset in FY 2015-16. Such diversions of funds limits the amount that can be allocated each year to new flood control improvement projects after funding the required operations and maintenance of OCFCDD.

- It is anticipated that starting in approximately 2010, OCFCD will need to start curtailing its Capital Improvement Program in order to be able to maintain adequate emergency reserves. However, OCFCD will continue to research available federal and state funding for its capital improvements program. Ensure the availability of a minimum of \$26 million in Flood Fund 400 emergency reserves, by adjusting capital projects and other watershed priorities.
- Ensure full cost-recovery as a result of the sale of the Katella Yard Complex and the acquisition of replacement properties. In the event that purchased properties are intended to include other County service-facilities, those entities should absorb all costs associated with their relocation and subsequent operation. Failure to achieve full cost-recovery in a timely manner will seriously impede the construction of urgently needed flood control improvements.

Key Outcome Indicators:

Performance Measure	2005 Business Plan	2006 Business Plan	
	Results	Target	How are we doing?
PERCENT OF CHANNEL MILES CONSTRUCTED FOR 100 YEAR FLOOD. What: Percentage of OCFCD channel miles constructed to convey 100-Year flood. Why: Indicates degree of protection and the remaining threat of flood damage.	43.3% of the channel miles are anticipated to be completed by the end of FY 2005-06 to convey a 100 year flood.	It is anticipated that by the end of FY 2006-07, 43.6% of the channel miles will have been constructed to convey a 100 year flood.	Currently 43.3% of flood control channels are capable of providing 100 year level of flood protection.
FLOOD INSURANCE REQUIREMENT IN ORANGE COUNTY. What: Number of flood insurance policies required in Orange County. Why: Indicates flood insurance in unprotected areas that the OCFCD/RDMD will reduce through improvements.	27,500 insurance policies are anticipated to be required in Orange County by the end of FY 2005-06.	It is anticipated that 27,000 policies will be required in Orange County by the end of FY 2006-07. A drop of 500 policies from the previous year.	The number of mandatory flood insurance policies, currently at 27,500 in Orange County, is anticipated to be reduced to 27,000 as flood control improvements currently in the FY 06-07 budget are implemented.
FLOOD INSURANCE PREMIUM PAID BY ORANGE COUNTY RESIDENTS AND BUSINESSES. What: Total premiums paid for flood insurance in Orange County. Why: Indicates the cost of flood insurance that the department will seek to reduce through improvements.	Orange County residents paid \$16,165,000 for mandatory flood insurance premiums in 2005.	It is anticipated that Orange County residents will pay \$16,500,000 for mandatory flood insurance premiums in 2006.	The number of flood insurance policies is expected to decrease, but due to increase in property values, the total premiums paid in Orange County of \$16,165,000, is expected to rise to \$16,500,000 in spite of flood insurance policies being eliminated as improvements in FY 06-07 are completed.
REPORT CARD GRADE. What: Flood Control Infrastructure Report Card Grade. Why: Shows the quality of construction & maintenance as reported by American Society of Civil Engineers.	Grade "C-"	Grade issued every 5 years; target is Grade "C-"	The ratings by ASCE will be accomplished independently. It is anticipated that Flood Control District will earn a grade of "C-" by the end of FY 05-06.

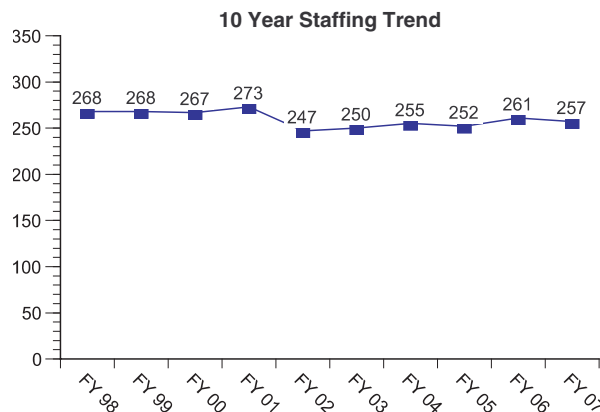
FY 2005-06 Key Project Accomplishments:

- Atwood Channel from Mountain View Avenue to Kellogg Drive.
- San Juan Creek emergency response and repair. Santa Ana-Delhi Channel emergency repair from upstream of upper Newport Bay to Mesa Drive.
- San Diego Creek emergency vegetation and sediment removal. East Garden Grove-Wintersburg Channel emergency levee repairs downstream of Graham Street.
- Huntington Beach Channel cathodic protection improvement from Magnolia Street to Indianapolis Avenue.

Flood Control District - Designs, builds and maintains flood control channels and other flood protection facilities. Monitors potentially severe storm events and responds to emergencies. Complies with National Clean Water Act stan-

dards and related regulations for creeks, rivers and stormwater. Acquires land and easements needed to construct flood control projects.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- In FY 05-06 nine positions were moved to Flood Fund 400 from HBP Fund 405, to budget positions in the fund (400) where majority of work required of these posi-

tions actually occurs. Three positions were deleted from the Flood Fund in the 1st QBAR to account for long term vacant positions and one position was deleted and transferred to Auditor Controller.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Flood Control District along with Road & HB&P Funds will support the RDMD/Watershed Management Program Strategic Priorities in Fiscal Year 2006-2007. This support will aid in the implementation of Watershed Management Programs and Storm Water Quality Programs.

Approved Budget Augmentations and Related Performance Results:

Unit Amount	Description	Performance Plan	BRASS Ser.
Decrease Funding to Watershed Agency 034 Amount:\$ 0	Reduce the operating transfer from Flood to Watershed Agency 034 by \$1,000,000	Reduced operating transfer provides additional funding for Flood projects	5400

Final Budget History:

Sources and Uses	FY 2004-2005 Actual Exp/Rev	FY 2005-2006 Budget	FY 2005-2006 Actual Exp/Rev ⁽¹⁾	FY 2006-2007 Final Budget	Change from FY 2005-2006	
		As of 6/30/06	As of 6/30/06		Actual Amount	Percent
Total Positions	252	257	257	257	0	0.00
Total Revenues	101,519,502	101,119,153	100,050,864	100,011,070	(39,794)	-0.04
Total Requirements	68,375,084	123,725,153	50,993,736	100,011,070	49,017,334	96.12
Balance	33,144,418	(22,606,000)	49,057,128	0	(49,057,128)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Flood Control District in the Appendix on page A239

Highlights of Key Trends:

- The Watershed Program has been under funded since its inception and the Flood Fund has covered the multi million dollar shortfall each year (20 million since 2001). As a result, RDMD requested Net County Cost Augmentation to cover the shortfall. Partial augmentation was approved by the CEO with the remaining multi million dollar shortfall still to be covered by the flood fund. Unless new revenue sources are developed for the Watershed Program, the support from the Flood Fund is expected to continue in future years.
- If diversions such as these continue to occur, this will result in the Flood Fund not being able to use this funding for its much needed Capital Improvement Program and maintain its reserves at a minimum level for emergencies. It is anticipated that starting in approximately 2010, the Flood Fund will need to start curtailing its Capital Improvement Program in order to be able to maintain such emergency reserves.

400 - Flood Control District

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Final Budget		Actual	
				As of 6/30/06		As of 6/30/06			Amount	Percent
Taxes	\$	48,596,286	\$	49,763,696	\$	53,540,348	\$	52,157,652	\$ (1,382,696)	-2.58%
Licenses, Permits & Franchises		145,466		257,200		97,563		169,966	72,403	74.21
Fines, Forfeitures & Penalties		11,832		15,256		17,321		7,000	(10,321)	-59.59
Revenue from Use of Money and Property		3,234,921		2,210,338		5,846,910		4,038,472	(1,808,438)	-30.93
Intergovernmental Revenues		3,808,061		7,552,745		6,071,124		4,676,127	(1,394,997)	-22.98
Charges For Services		9,753,375		7,572,500		10,190,887		7,440,650	(2,750,237)	-26.99
Miscellaneous Revenues		592,566		348,000		684,033		348,690	(335,343)	-49.02
Other Financing Sources		487,400		255,000		28,940		255,150	226,210	781.66
Total FBA		35,942,252		33,144,418		33,144,418		30,917,363	(2,227,055)	-6.72
Reserves		27,328		0		4,368,593		0	(4,368,593)	-100.00
Reserve For Encumbrances		(1,079,984)		0		(13,939,273)		0	13,939,273	-100.00
Total Revenues		101,519,502		101,119,153		100,050,864		100,011,070	(39,794)	-0.04
Salaries & Benefits		20,311,553		22,039,403		19,387,554		22,352,288	2,964,734	15.29
Services & Supplies		21,609,413		26,681,743		23,056,192		27,906,991	4,850,799	21.04
Other Charges		109,871		150,000		11,301		450,000	438,699	3,881.88
Fixed Assets		2,183,560		53,710,779		7,792,510		30,759,809	22,967,299	294.74
Other Financing Uses		3,174,811		2,905,821		637,999		2,270,420	1,632,421	255.87
Reserves		20,985,877		18,237,407		108,180		16,271,562	16,163,382	14,941.19
Total Requirements		68,375,084		123,725,153		50,993,736		100,011,070	49,017,334	96.12
Balance	\$	33,144,418	\$	(22,606,000)	\$	49,057,128	\$	0	\$ (49,057,128)	-100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.